GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:6434
ANSWERED ON:08.05.2000
MARKETING POLICY OF PETROLEUM PRODUCTS
NAWAL KISHORE RAI;SUKDEO PASWAN

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government propose to set up an open and competitive market of the petroleum products by abolishing the monopoly of the Government sector;

(b) if not, the reasons therefor; and

(c) the action taken by the Government to make available the quality items of such products to the consumers at a reasonable price?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): Government, in November, 1997, decided to dismantle the Administered Pricing Mechanism in a phased manner and to fully deregulate the petroleum sector by March, 2002.

(c): The following actions have been taken to make available quality products to consumers at competitive prices:-

(i) Oil refining sector has been de-licensed. Refineries are being compensated on the basis of import parity pricing;

(ii) Customs and excise duties in the petroleum sector have been rationalised over past 3 years;

(iii) Quality of transport fuels (motor spirit and high speed diesel) have been upgraded.